

kidZtime TV, Inc.

Scott Severson

Michael Alu

Notice of Intent to Invoke Administrative Sanctions

DATE: August 17, 2001 RESPONDENTS: kidZtime TV, Inc. of New Port Richey, Florida; Scott Severson of New Port Richey, Florida; and Michael Alu of Columbus, Ohio ORDER: Notice of Intent to Invoke Administrative Sanctions Under the Kansas Securities Act issued to respondents kidZtime TV, Inc., Scott Severson, and Michael Alu, for allegedly soliciting a Goodland, Kansas, resident to invest \$20,000 for partnership interests in a kidZtime TV affiliate. The interests were sold after the respondents entered into a Stipulation for Consent Order and were ordered to cease and desist from selling the interests in violation of the Kansas Securities Act. In addition, several other states had taken action against the respondents for violations of securities laws, and those actions were not disclosed to the Kansas investor.

Order of Sanctions and Order of Dismissal

DATE: November 14, 2001 RESPONDENTS: kidZtime TV, Inc. of New Port Richey, Florida; Scott Severson of New Port Richey, Florida; and Michael Alu of Columbus, Ohio ORDER: On August 17, 2001, a Notice of Intent to Invoke Administrative Sanctions Under the Kansas Securities Act was issued to respondents kidZtime TV, Inc., Scott Severson, and Michael Alu for allegedly soliciting a Goodland, Kansas, resident to invest \$20,000 for partnership interests in a kidZtime TV affiliate. The interests were sold after the respondents entered into a Stipulation for Consent Order and were ordered to cease and desist from selling the interests in violation of the Kansas Securities Act. Respondents Severson and kidZtime TV failed to request a hearing to contest the allegations in the Notice of Intent, so the Commissioner found the allegations to be true and assessed a fine of \$10,000 against each respondent. Respondent Alu provided information to the Commissioner to establish that he was no longer employed by kidZtime at the time of the sale to the Goodland resident, so the Commissioner dismissed the Notice of Intent with respect to Mr. Alu.

Notice to Investors: If you are not a resident of Kansas and have been affected by actions that are similar to those described in this synopsis, you should consider contacting your state securities regulator for assistance. To locate your securities regulator, go to the [North American Securities Administrators Association](http://www.nasaa.org) website. If you choose to contact your state securities regulator, please inform him or her of the action taken by the State of Kansas.